

JANUARY 2003

Insight

For
benefits
administrators

FBMC

Fringe Benefits Management Company

New MoneyPlu\$ administrator

Effective January 1, 2003, *Fringe Benefits Management Company* (FBMC) became the new administrator of the state of South Carolina's MoneyPlu\$ program. FBMC, based in Tallahassee, Florida, will adjudicate claims and provide Flexible Spending Account (FSA) reimbursements.

FBMC handles many accounts for public employers, and they have more than 25 years experience as a third-party administrator. FBMC provides extended access to accounts and customer service representatives through its toll-free phone line—1-800-342-8017. You'll also have 24-hours-a-day access to your accounts via the Internet.

Many of you have had questions concerning MoneyPlu\$. Here is a related question and answer:

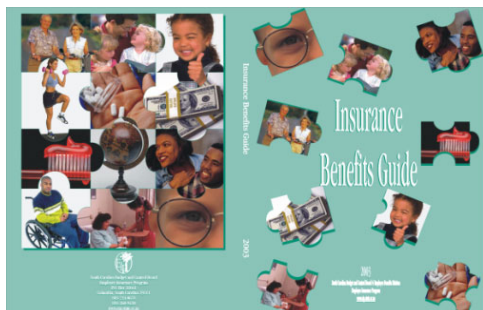
Question: If an employee terminates, what is the cut-off date to incur services and claim reimbursement under the MoneyPlu\$ Medical Spending Account?

Answer: The date of service for a claim must be before the employee's termination date. Individuals may submit claims for services up through March 31 of the following calendar year.

(continued on Page 3)

What you'll see in 2003:

- Companion HealthCare (CHC) new enrollees and current subscribers should have received their identification (ID) cards by now. If any have not received an ID card, they should call CHC at 1-800-868-2528 or contact CHC via the Internet at www.companionhealthcare.com. Current subscribers may continue to use their old ID cards until they receive a new one.
- **HIPAA (Health Insurance Portability and Accountability Act) mailing:** The Employee Insurance Program (EIP) will mail important HIPAA information in early spring to each employee. Please make sure you have the most current addresses for your employees on file.



2003 Insurance Benefits Guide

The 2003 *Insurance Benefits Guide* has been distributed. If you did not receive any, please call Angie Warren at 803-734-1525, toll-free, 1-888-260-9430 or send her an e-mail—awarren@eip.state.sc.us.

South Carolina
Budget and Control Board
Employee Insurance Program



P.O. Box 11661
Columbia, South Carolina 29211
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www.eip.state.sc.us



2003 Medicare update



Medicare has two parts- Part A, hospital insurance, and Part B, medical insurance. If you are eligible, Medicare guarantees

you coverage, regardless of health. With Medicare, there are no pre-existing conditions.

Most people **do not** pay a premium for Part A, because they or their spouse paid Medicare taxes while working. Part A helps cover inpatient care in hospitals, critical access hospitals in rural areas and skilled nursing facilities. It also covers hospice care and some home health care. You must meet certain conditions to be eligible for Part A.

You **do** pay a premium for Part B. It helps cover doctors' services and outpatient hospital care. Part B pays for covered, medically necessary services and supplies. The Medicare premiums for Parts A and B listed below are effective January 1, 2003.

DID you know ?

Rate increase for 2004

The governor's budget for fiscal year 2003-2004 (released in December 2002) funds a 19.6 percent increase in the employer contribution for the health insurance program, effective January 1, 2004. We suggest that employers use this rate increase amount for budget preparation purposes. We will inform you of any change in this number as the year progresses.

Legally speaking . . .

Remember to always use full, legal birthnames when completing claims forms. Using a nickname on your claim form may cause delays in processing and payment. Therefore, it is important for the name on the enrollment (eligibility) file to match the name on the claim.

2003 Medicare premiums

2003 deductibles & coinsurance

| <i>Part A</i> (Hospital Insurance) | <i>Part B</i> (Medical Insurance) | <i>Part A</i> (Hospital Insurance) | <i>Part B</i> (Medical Insurance) |
|---|--|---|--|
| Premiums <ul style="list-style-type: none"> No cost if 40 or more quarters of Medicare-covered employment \$316 per month (Note: This premium is paid only by individuals who are not otherwise eligible for premium-free hospital insurance and have fewer than 30 quarters of Medicare-covered employment) Part A premium is \$174 for individuals having 30-39 quarters of Medicare-covered employment | Premium <ul style="list-style-type: none"> \$58.70 per month | Deductible <ul style="list-style-type: none"> \$840 per benefit period Coinsurance <ul style="list-style-type: none"> \$210 per day, 61st-90th day per benefit period \$420 per day, 91st-150th day per benefit period.* Skilled Nursing Facility <ul style="list-style-type: none"> Up to \$105 per day, 21st-100th day per benefit period <p><i>*Note: You are entitled to a total of 60 lifetime reserve days that are non-renewable.</i></p> | Deductible <ul style="list-style-type: none"> \$100 per year (you pay 20 percent of Medicare-approved amount for services after you meet the \$100 deductible) |

As long as employees and dependents are covered under the active employees' coverage, the active coverage should pay benefits before Medicare. When the employees and dependents gain coverage under the retiree group, Medicare should pay first (some exceptions apply). For details about eligibility and Medicare benefits, visit Medicare's Web site at www.medicare.gov.

FBMC/MoneyPlu\$ *(continued from Page 1)*

Here are a few tips to ensure accurate and timely processing of your claims:

- After you incur expenses, submit a receipt copy and a copy of the Explanation of Benefits, if applicable, with your MoneyPlu\$ claim form.
- You may only submit a MoneyPlu\$ claim form for the actual out-of-pocket expenses covered. Claims will be paid until you have reached the annual amount you elected to have deducted.
- Claim payment is generally processed and mailed within five days upon receipt of your claim. For Dependent Care FSAs, checks are prepared up to the amount of your current account balance. FBMC offers daily check disbursements and direct deposit. They also accept faxed claims. Any excess expense will be held in suspense and dispersed when money is available in your account. The minimum check amount issued is \$5, except for the last check of the Plan year.
- Money remaining in your account after March 31 of the following year will not be refunded, nor will it roll over to the next Plan year.

For more information about FBMC or MoneyPlu\$, contact FBMC via:

Interactive Benefits Information Line
1-800-865-FBMC (3262)

FBMC Customer Service
1-800-342-8017 / 1-800-955-8771 (TDD)

FBMC Web site
www.fbmc-benefits.com

FBMC Customer Service e-mail address
webcustomerservice@fbmc-benefits.com

Note: When you visit the FBMC Web site for the first time, your “Employee #” will be your Social Security number. Your “Password” will be the last four digits of your Social Security number. Once you are logged on you will be able to view your account balances, claims, etc.

Important: All claims for expenses incurred through December 31, 2002, must be filed with Stanley, Hunt, DuPree & Rhine, Inc. (SHDR). The deadline for filing 2002 claims with SHDR is March 31, 2003. Mail claims to: MoneyPlu\$, P.O. Box 16000, Greenville, SC 29606-0001.

Important State Health Plan (SHP) provider information

The Carolina Health Specialists Joins the State Health Plan (SHP)

Carolina Health Specialists is, again, an SHP provider, effective December 30, 2002. Here's how you may contact them:

Carolina Health Specialists (Neurology)
945 82nd Parkway
Myrtle Beach, SC 29572
(843) 497-8896

2003 SHP Provider Directory

Greenwood Ear, Nose and Throat (ENT) was omitted from the 2003 Provider Directory; however, they are a participating provider (effective September 18, 2002) and you may contact them at:

Greenwood ENT
1015 Spring Street
Greenwood, SC 29646
(864) 227-6741

(continued on Page 4)

*The information contained in
Insight that affects your employees
should be communicated to them in a
timely manner.*

South Carolina Budget and Control Board
Employee Insurance Program
1201 Main Street, Suite 300
PO Box 11661
Columbia, SC 29211

More Important State Health Plan (SHP) Provider Directory information

(continued from Page 3)

CIGNA Healthcare Network

Please send all **pink** NOEs to:

CIGNA HealthCare Network
Employer Services
1111 Market Street
Chattanooga, TN 37402



Employee Benefits Service (EBS) system

EIP's Information Technology team has almost completed the installation of a new Web application, *Employee Benefits Services* (EBS). The EBS will provide you with access to your employees' insurance information with no more dial-up connections!

EBS will allow easy access to enrollment and reporting data via the Internet. You will soon receive a Confidentiality Agreement to be signed by your agency head and approved users. Upon receipt of your signed Confidentiality Agreement, EIP will send you training information for the EBS system.

Insight

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Committee**

**Robert W. Harrell, Jr.
Chairman, House Ways
& Means Committee**

**Frank Fusco
Executive Director**

Extra! Extra!

Policy for Employees Called to Active Duty

POLICY: If an employee is called to active military duty with the National Guard or a Reserve unit, the employee will be allowed to remain on the active group programs (health and dental) and provide coverage for any dependents by paying the active **employee share only** for health and dental coverage.

The following rules will be in effect:

1. The employee will be responsible for paying the employee share only for health and/or dental coverage. The employer will be responsible for the employer share. The employee will be subject to the exclusions for military, but the dependents will have continuous coverage. **The employer is responsible for collection of the employee share if the employee is placed in a Leave Without Pay (LWOP) status.**
2. If the employee elects to cancel coverage during his active duty status, his coverage may be reinstated upon discharge or release from active duty and resumption of employment. The request for reinstatement should be made within 31 days of discharge. The employee would be reinstated with a break in coverage **and** with the same level of coverage unless a change in family status has occurred. The time period for exclusions based upon pre-existing condition starts from the original date of employment and **not** the date of re-employment.
3. If the dependents have a change in family status (birth, marriage, death, ineligible dependent, etc.), the person with the Power of Attorney will be allowed to make coverage changes.
4. Basic Life, Optional Life, Long Term Disability, Supplemental Long Term Disability and Long Term Care all carry military exclusions. No benefits are payable if the injury or loss is caused or contributed to by war or any act of war. If the employee elects to cancel coverage during his active duty status, his coverage may be reinstated, without penalty, upon discharge or release from active duty and resumption of employment. The request for reinstatement should be made within 31 days of discharge. The coverage would be reinstated at the same level.
5. An employee may elect to discontinue participation in the MoneyPlu\$ flexible benefits program. Upon his discharge or release from active duty and resumption of employment, he may elect to participate, again, and deductions should resume at the same amount. This could result in an amount collected at the end of the year that is less than the original annual election amount selected on the enrollment form. However, the amount submitted cannot be less than funds already disbursed by the MoneyPlu\$ administrator. In that instance, the deduction may have to increase depending on the number of pay periods left in the year.

If an employee elects to continue participation in the MoneyPlu\$ flexible benefits program, he is responsible for submitting the payroll deduction amount to his employer once he is placed in a Leave Without Pay status.